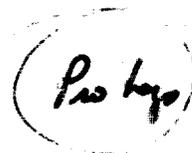


THE DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

Office of Legislative Counsel

25 JAN 1978



Mr. James M. Frey  
Assistant Director for  
Legislative Reference  
Office of Management and Budget  
Washington, D.C. 20503

Dear Mr. Frey:

This is in response to your request for views on the Administration's draft proposal limiting cost-of-living increases for Federal retirement and disability programs to one per year rather than the two which such programs now enjoy. In effect, this proposal would mean that such programs, including the Central Intelligence Agency Retirement and Disability System, which presently are linked to the Consumer Price Index would be indexed in the same manner as social security. This Agency has no objection to such a proposal provided it is applied to all Government retirement and disability programs.

Sincerely,

GC/CD

George L. Cary  
Legislative Counsel

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